MINUTES OF THE PRIVATE PROTECTIVE SERVICES BOARD MEETING DECEMBER 15, 2006 HOLIDAY INN - RALEIGH NORTH

2805 HIGHWOODS BLVD. RALEIGH, NORTH CAROLINA 27604

BOARD MEMBERS PRESENT

BOARD MEMBER ABSENT

James StevensGrady ConnerRichard JenkinsRichard AllenBill BoothBrenda BishopCarlton Miles

Berkley Blanks Ron Burris

David Grimes Sheriff Jimmy Ashe David Pendry Steve Johnson

STAFF PRESENT

Terry Wright - Director Susan Harrison - Board Secretary Charles McDarris - Attorney Jennifer Mooney -Reporter

Larry Liggins - Field Services Supervisor

Tim Pressley - Training Officer

GUESTS PRESENT

Ruth Reynolds Larry Alexander Monty Clark

John GrecoMack DonaldsonSteve MitchellPaul CarterAudra ColemanLarry FlanneryRuss ThomasWalt PylyplwTom DavisPaul SchrollRay HarrisRick EatmonLeonard WolfAngela BowdenJim Mabry

Mr. Blanks called the December 15, 2006 Private Protective Services Board Meeting to order at 9:05 a.m. Mr. Blanks asked Mr. McDarris to explain Governor's Executive Order Number One. Mr. McDarris advised that Executive Order Number One has been signed by Governor Easley and addresses the ethics of public officials. This Order states specifically that if any Board Member has any conflict of interest, potential conflict of interest, or appearance of a conflict, he or she should remove himself from deliberation and vote on that matter and so state on the record.

GOOD OF THE ORDER

Ms. Ruth Reynolds, President of the NCAPI stated that the NCAPI is now planning their annual meeting to elect the new Board members in January at the Charlotte Hilton.

Mr. Larry Alexander, President of the North Carolina Association of Security Professionals would like to invite the Board members to attend a Public Private Partnership Town Hall Meeting sponsored by Jim Black in Durham on December 18th, 2006 at 6:00 pm.

APPROVAL OF THE AUGUST 18, 2006 MINUTES

MOTION BY MR. ALLEN TO APPROVE THE MINUTES OF THE AUGUST 18, 2006 MEETING. SECONDED BY MR. BURRIS. MOTION CARRIED.

APPROVAL OF THE OCTOBER 20, 2006 MINUTES

MOTION BY MR. CONNER TO APPROVE THE MINUTES OF THE OCTOBER 20, 2006 MEETING. SECONDED BY MR. STEVENS. MOTION CARRIED.

LICENSING AND REGISTRATION ACTIONS

SCREENING COMMITTEE REPORT:

Mr. Allen advised that the Screening Committee met on Thursday, December 14, 2006 from 9:00 am until 12:15 pm to consider a total of 36 applications. The committee members were Mrs. Brenda Bishop, Mr. Richard Allen, Mr. Jimmy Ashe, Mr. David Pendry and Mr. Carlton Miles. The attached report was read to the Board. (See attached report)

MOTION BY MR. MILES TO ACCEPT THE SCREENING COMMITTEE REPORT ON APPLICANTS. SECONDED BY MR. CONNER. MOTION CARRIED.

Mr. Allen presented the following registration report for the period of October 17, 2006 - December 12, 2006. Total registrations 3,358; armed totals were 652 of which 279 were new, 358 renewals, 15 reissue/dual. Unarmed totals were 2,706 which includes 1,527 new, 1,016 renewals, 159 transfers and 4 duplicates. Total denials 390 of which 62 were denied for cause and 328 which were correctable denials. There were 498 applications approved which were previously denied for a total of 888 denials reviewed.

MOTION BY MR. CONNER TO ACCEPT THE REGISTRATION REPORT. SECONDED BY MR. MILES. MOTION CARRIED.

GRIEVANCE COMMITTEE REPORT:

Mr. Burris reported the Grievance Committee met on Wednesday December 13, 2006 from 9:00 am until 4:50 pm to consider a total of 14 cases. The committee members were Mr. Ron Burris, Mr. Grady Conner, Mr. David Grimes and Mr. James Stevens. The attached report was read to the Board. (See attached report)

There was a discussion held regarding the Brinks audit and their obligation to conduct self-audits.

MOTION BY MR. BURRIS TO HAVE BRINKS, INC. (2006-PPS-032) CONDUCT QUARTERLY SELF AUDITS, OVER A PERIOD OF TWO YEARS AND A COPY OF THE QUARTERLY AUDITS BE PROVIDED TO THE PPS DIRECTOR FOR REVIEW. SECONDED BY MR. ALLEN. MOTION CARRIED.

MOTION BY MR. MILES TO ACCEPT THE GRIEVANCE COMMITTEE REPORT. SECONDED BY MR. BOOTH. MOTION CARRIED.

TRAINING AND EDUCATION:

Mr. Stevens stated that the committee discussed a number of issues in yesterday's meeting and he asked that Mr. Pressley report on those issues.

Mr. Tim Pressley announced that there are two Unarmed Guard Courses tentatively scheduled for February 15,16 & 17, 2007 at Wake Tech Community College. A Firearms Training Course is scheduled for April 9 - 13, 2007 at the North Carolina Justice Academy (NCJA). An OC Spray Trainer Course is tentatively scheduled for March 30, 2007 at the NCJA.

Presently we have 392 certified PPS unarmed trainers. We currently have 105 PPS certified armed trainers and 104 PPS certified OC spray trainers.

U.S. Security Associates had previously received permission from the Board to conduct interactive NC PPS mandated unarmed guard training that would be broadcast from their Georgia office to all of their branch offices. The Board had approved this request on a trial basis and advised that they would review the matter at a later Board meeting. The Training and Education Committee voted to allow U.S. Security Associates to continue conducting the interactive training under the following conditions:

- 1. All training must be conducted by a PPS certified trainer.
- 2. The first two sections of the training (The Security Officer in NC and Legal Issues for Security Officers) must be conducted in the branch offices with PPS certified trainers teaching students face to face.
- 3. The interactive part of the training must be conducted live and students must have the capability of asking questions of the PPS certified trainer during the training. The students and trainer must have the ability to see each other.
- 4. All other PPS mandated training rules must be adhered to and the PPS unarmed guard training manual must be used for the training.

MOTION BY MR. GRIMES TO ACCEPT THE TRAINING AND EDUCATION REPORT. SECONDED BY MR. ALLEN. MOTION CARRIED

FINANCE COMMITTEE:

Ms. Bishop reported there was no report for the Finance Committee:

GRIEVANCE COMMITTEE:

Mr. Burris stated that there were no additional matters to present.

SCREENING COMMITTEE:

Mr. Allen stated that the Screening Committee had discussed a request to allow unarmed guards to register dual and the committee discussed a request from Larry Alexander to change the process for issuing a temporary branch office license. Mr. Allen requested that Director Terry Wright provide additional details to the Board. Mr. Wright stated that at the last Board meeting Mr. Alexander requested that the Board allow unarmed guards to register with more than one company. Mr. Alexander and Mr. Wright met to discuss the issue at a later date and Mr. Wright's recommendation is for the Committee to allow unarmed guards to register with more than one company. PPS would need an updated application from the guard, two photographs and \$10.00 registration fee. Both registrations would expire at the same time.

MOTION BY MR. CONNER TO ADOPT THE DUAL REGISTRATION FOR UNARMED GUARDS. SECONDED BY MR. PENDRY. MOTION CARRIED.

Also, during that discussion with Mr. Alexander the issue came up about a licensee applying for a Branch office. Currently the Director can issue a temporary license but the application for the Branch office still has to go before the Board. Mr. Alexander requested that this process be changed so that the staff can handle the entire process. Screening denied the request based on the statute specifically requiring that the application be presented to the full Board.

MOTION BY MR. CONNER TO ACCEPT THE RECOMMENDATION TO CONTINUE TO REQUIRE BRANCH OFFICE APPLICATIONS TO GO TO THE FULL BOARD. SECONDED BY MR. MILES. MOTION CARRIED.

74C RE-WRITE COMMITTEE:

Mr. Miles stated that there were no 74C matters to report at this time.

OLD BUSINESS:

Mr. Burris stated that the Grievance Committee has asked staff and Show Pros personnel to meet and discuss how the Event Staff functions relate to 74C.

Mr. Grimes reported that he, Ruth Reynolds, Director Wright, Larry Alexander and Attorney McDarris met with an official at the Department of Insurance to discuss insurance related matters and how the law relates to the PPS industry. Mr. Grimes stated that based on the meeting one option discussed was to check and determine whether licensees could get a better rate with a National Professional Association. Another option was potentially the industry could insure themselves. By becoming self insured, the industry would need one million dollars in reserve of it's own funds to insure.

Larry Alexander asked about the previous discussion of removing the word "guard" out of 74C and replacing it with "officer". He stated he has passed out a letter to the Board with the request.

Larry Alexander asked about the issue brought up in the October Board Meeting of firearms on school grounds. Mr. Alexander stated that it is a potential felony for a Security Guard to have a firearm in their possession on school grounds. He requested direction from the Board as to how to address this in their contracts to avoid violations. Mr. McDarris advised that he would address this issue in the Attorney's report.

MOTION BY MR. MILES TO CHANGE THE WORDING IN THE 74C REWRITE FROM SECURITY GUARD TO SECURITY OFFICER. SECONDED BY MR. CONNER. MOTION CARRIED

MS. BISHOP AND MR. ASHE OPPOSED THE MOTION

Director Terry Wright presented samples of the new ID credentials. Director Wright advised that staff was currently writing the specifications for the ID system and that he anticipates that within the next few weeks DOJ-Purchasing will issue a Request for Quote (RFQ) for the system.

MOTION BY MR. CONNER TO CONTINUE WITH THE NEW ID PROCESS. SECONDED BY MR. BOOTH. MOTION CARRIED

NEW BUSINESS:

Mr. Grady Conner reported on the IASIR conference. Mr. Conner stated that one of the major issues that was brought up was that the majority of Boards throughout the United States is typically made up of a majority of industry members.

Mr. Carlton Miles advised of a program in Virginia called Law Enforcement Liaison. He advised that it's where the private sector and law enforcement share resources. Mr. Miles advised that if you would like to visit the website go to www.dcjs.virginia.gov/pss/leliaison/index.cfm. Mr. Miles stated that there is a video on the web that is very informative. Mr. Miles spoke to Mr. Leon Baker who helped put the program together and he's willing to help us in anyway he can.

DIRECTOR'S REPORT

Mr. Wright reported that the operating budget as of 11/01/06 was \$310,634.18 and the PPS Recovery Fund balance as of 11/01/06 is \$64,124.74. Total active registrants and licensees are 20,163. Mr. Wright advised that correspondences printed since last Board meeting is 5,096, which also includes 2,735 registration cards. Mr. Wright also reported that the total number of applications received since last Board meeting including both registration and licensing were 4,111.

MOTION BY MR. MILES TO ACCEPT THE DIRECTORS REPORT. SECONDED BY MR. PENDRY. MOTION CARRIED.

ATTORNEY'S REPORT

Mr. McDarris presented the following report:

CONSENT AGREEMENTS & CIVIL PENALTIES:

Michael Spencer, North American Security Solutions- Consent Agreement for unlicensed activity in the amount of \$918.00 has been paid.

Bruce Seibert, Defender Services- Consent Agreement for registration violations in the amount of \$8,058.00 has been paid.

Gregory Martin, Allegiance Industries - Consent Agreement for registration violations in the amount of \$5,370.00 has been paid.

Danny Love, Love Security Services - Consent Agreement for registration violations in the amount of \$2,060.40 has been paid.

William McDonald, Regent Security Services - Consent Agreement for registration violations in the amount of \$13,527.20. The Agreement was returned by the post office. It was re-mailed and they have received it. Will report back at the next meeting.

Paul Carter, Security - Consent Agreement for two registration violations in the amount of \$265.20 has been mailed. Will report back at the next meeting.

Linda Williams, Security Ventures - Consent Agreement for a branch office violation in the amount of \$204.00 has been drafted. Will report back at the next meeting.

OFFICE OF ADMINISTRATIVE HEARINGS & SUPERIOR COURT:

Mr. McDarris reported we have a number of cases scheduled as indicated on attachment number 1. There are a couple of final agency decisions that will be presented at the next meeting.

RULES

Mr. McDarris stated that 12 NCAC 7D .0707 has been adopted by the Rules Review Commission.

12 NCAC 7D .0601 an amendment to the PSE licensing requirements was filed with the Office of Administrative Hearings. The Rule is before you for adoption.

12 NCAC 7D .0203(b) an amendment regarding the re-issuance of an expired license was filed with the Office of Administrative Hearings. The Rule is before you for adoption.

MOTION BY MR. BURRIS TO ADOPT RULE 12 NCAC 7D .0203(b). SECONDED BY MR. BOOTH. MOTION CARRIED.

MOTION BY MR. CONNER TO REPEAL SUBPART (b) FROM RULE 12 NCAC 7D .0601. SECONDED BY MR. BURRIS. MOTION CARRIED.

The attorney is proposing a technical amendment to 12 NCAC 07D .0808 to acknowledge that conceal carry permits are valid if issued in accordance with G.S. 14 Article 54B.

MOTION BY MR. BOOTH TO ADOPT TECHNICAL AMENDMENT TO RULE 12 NCAC 7D

.0808(b). SECONDED BY MR. GRIMES. MOTION CARRIED.

11:50 - 11:55 Break

MOTION BY MR. BOOTH TO WITHDRAW THE PRIOR MOTION AND TO TABLE THE CHANGE ON THE CONCEAL CARRY WEAPON RULE 12 NCAC 7D .0808(b) UNTIL THE NEXT MEETING. SECONDED BY MR. ASHE. MOTION CARRIED.

Mr. McDarris advised that he had spoken with John Aldridge regarding firearms on educational property. Mr. McDarris advised that Mr. Aldridge stated that as the law is currently written a security officer could not carry a weapon on school grounds.

MOTION BY MR. CONNER TO ALLOW MR. MCDARRIS TO WORK WITH MR. GRAY AND MR. GRIMES TO DRAFT LEGISLATION THAT WOULD EXEMPT GUARDS WHO ARE WORKING ON SCHOOL GROUNDS FROM THE STATUTE. SECONDED BY MR. PENDRY. MOTION CARRIED.

Mr. McDarris presented a draft of the By-Laws.

MOTION BY MR. CONNER THAT THE BY-LAWS BE TABLED TO FEBRUARY MEETING TO GIVE THE BOARD TIME TO REVIEW THEM. SECONDED BY MR. GRIMES. MOTION CARRIED.

Mr. McDarris advised the Board that the Board had been sued and he is requesting a closed session to discuss the law suit.

MOTION BY MR. CONNER FOR CLOSED SESSION TO DISCUSS A PENDING LEGAL MATTER PER G.S. 143-318.11(a)(3). SECONDED BY MR. MILES. MOTION CARRIED.

MOTION BY MR. MILES TO APPROVE ATTORNEY'S REPORT. SECONDED BY MR. BURRIS. MOTION CARRIED.

12:15 Adjourned.

Terry Wright	
Director	